The opinion in support of the decision being entered today was **not** written for publication and is **not** binding precedent of the Board.

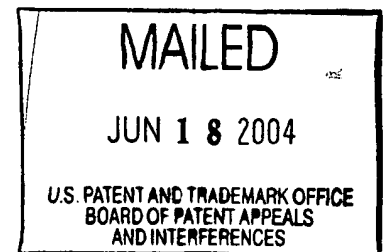UNITED STATES PATENT AND TRADEMARK OFFICE

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BEFORE THE BOARD OF PATENT APPEALS
AND INTERFERENCES

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**Ex parte** WALTER C. SLATER and THOMAS J. MURRAY

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Appeal No. 2003-0889
Application 09/494,011

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ON BRIEF

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Before JERRY SMITH, RUGGIERO, and MACDONALD, **Administrative Patent Judges.**

MACDONALD, **Administrative Patent Judge.**

**DECISION ON APPEAL**

This is a decision on appeal from the final rejection of claims 1-33, 38, and 40.

**Invention**

Appellant's invention relates to a photofinishing system and method that incorporates digital technology. More specifically the invention relates to workflow management processes that can

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be employed in wholesale photo-labs or lab networks that

incorporate digital photofinishing. (Appellants specification,

page 1, lines 4-7)


Claim 1 is representative of the claimed invention and is

reproduced as follows:

1.  A method of producing digital image products in a
photofinishing lab, the photofinishing lab having a plurality of
image obtaining devices for obtaining a plurality of digital
images from multiple customer orders, a plurality of digital
output devices for providing a plurality of digital image
products based on the obtained digital images, and a central
processing unit, the method comprising the steps of:

associating each obtained digital image with identification
data;

sending each of said obtained digital images and their
associated identification data to the central processing unit,
the central processing unit analyzing each of the obtained
digital images and comparing said analyzed obtained digital
images with reference digital image data representative of an
optimum image, said central processing unit further creating
batches of digital images from the multiple customer orders, the
images in each batch having similar identification data, such
that a batch of images may include images from different customer
orders, said central processing unit further determining an
output sequence of each of said obtained digital images to said
output devices based on at least the associated identification
data;

providing a digital image product based on the obtained
digital image at said digital output device; and

combining the digital image product from the output devices
with a related original order from said original orders using the
associated identification data.

## References

The references relied on by the Examiner are as follows:

Kristy                              5,218,455      Jun. 8, 1993
Shiota et al. (Shiota)   6,157,459      Dec. 5, 2000
                                                        (filed Dec. 23, 1997)

## Rejections At Issue

Claims 38 and 40 stand rejected under 35 U.S.C. § 102(e) as being anticipated by Shiota.

Claims 1-33 stand rejected under 35 U.S.C. § 103 as being obvious over the combination of Shiota and Kristy.

Throughout our opinion, we make references to the Appellants' briefs, and to the Examiner's Answer for the respective details thereof[1]. The Examiner has indicated that the amendment filed January 13, 2003 overcomes the rejection under 35 U.S.C. § 112 (Paper number 17, Office communication dated February 6, 2003). However, the amendment has not yet been entered. For purposes of this decision, we are treating the amendment as having been entered and the rejection under 35 U.S.C. § 112 has been overcome.

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[1] Appellants' brief filed September 19, 2002, Appellants' reply brief with amendment filed January 13, 2003, and the Office communications mailed November 4, 2002 and February 6, 2003.

OPINION

With full consideration being given to the subject matter on appeal, the Examiner's rejections and the arguments of Appellants and Examiner, for the reasons stated **infra**, we reverse the Examiner's rejection of claims 38 and 40 under 35 U.S.C. § 102, and we reverse the Examiner's rejection of claims 1-33 under 35 U.S.C. § 103.

I.    **Whether the Rejection of Claims 38 and 40 Under 35 U.S.C. § 102 is proper?**

It is our view, after consideration of the record before us, that the disclosure of Shiota does <u>not</u> fully meet the invention as recited in claims 38 and 40. Accordingly, we reverse.

It is axiomatic that anticipation of a claim under § 102 can be found only if the prior art reference discloses every element of the claim. **See In re King,** 801 F.2d 1324, 1326, 231 USPQ 136, 138 (Fed. Cir. 1986) and **Lindemann Maschinenfabrik GMBH v. American Hoist & Derrick Co.,** 730 F.2d 1452, 1458, 221 USPQ 481, 485 (Fed. Cir. 1984).

With respect to independent claims 38 and 40, the Examiner has indicated how he finds anticipation of the claims on appeal (answer, page 5, lines 6-15). At pages 3-4 of the Brief, Appellants have argued that Shiota fails to teach "said processing unit is further adapted to analyze each of said obtained images for image correction" (claim 38, lines 14-15), and "comparing said received images to reference image data representative of an optimum image" (claim 40, lines 13-14). We agree. Shiota is silent as to image correction and optimum image reference data. Therefore, Appellants' arguments are persuasive and we will not sustain the Examiner's rejection under 35 U.S.C. § 102.

### II. Whether the Rejection of Claims 1-33 Under 35 U.S.C. § 103 is proper?

It is our view, after consideration of the record before us, that the evidence relied upon and the level of skill in the particular art would <u>not</u> have suggested to one of ordinary skill in the art the obviousness of the invention as set forth in claims 1-33. Accordingly, we reverse.

In rejecting claims under 35 U.S.C. § 103, the Examiner bears the initial burden of establishing a **prima facie** case of

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obviousness. **In re Oetiker,** 977 F.2d 1443, 1445, 24 USPQ2d 1443, 1444 (Fed. Cir. 1992). **See also In re Piasecki,** 745 F.2d 1468, 1472, 223 USPQ 785, 788 (Fed. Cir. 1984). The Examiner can satisfy this burden by showing that some objective teaching in the prior art or knowledge generally available to one of ordinary skill in the art suggests the claimed subject matter. **In re Fine,** 837 F.2d 1071, 1074, 5 USPQ2d 1596, 1598 (Fed. Cir. 1988). Only if this initial burden is met does the burden of coming forward with evidence or argument shift to the Appellants. **Oetiker,** 977 F.2d at 1445, 24 USPQ2d at 1444. **See also Piasecki,** 745 F.2d at 1472, 223 USPQ at 788.

An obviousness analysis commences with a review and consideration of all the pertinent evidence and arguments. "In reviewing the [E]xaminer's decision on appeal, the Board must necessarily weigh all of the evidence and argument." **Oetiker,** 977 F.2d at 1445, 24 USPQ2d at 1444. "[T]he Board must not only assure that the requisite findings are made, based on evidence of record, but must also explain the reasoning by which the findings are deemed to support the agency's conclusion." **In re Lee,** 277 F.3d 1338, 1344, 61 USPQ2d 1430, 1434 (Fed. Cir. 2002).

With respect to independent claims 1, 3, 15, 29, and 33, the
Examiner has indicated how he finds obviousness of the claims on
appeal (answer, page 5, line 16, through page 6, line 16). At
pages 4-7 of the Brief, Appellants have argued both Shiota and
Kristy fail to teach "comparing said analyzed obtained digital
images with reference digital image data representative of an
optimum image" (claims 1 and 3, lines 10-12 of each), "compare
each of said obtained digital images with reference image data
representative of an optimum image" (claim 15, lines 10-11), and
"the processing unit analyzing said image with reference to image
data representative of an optimum image" (claim 29, lines 7-8).
We agree. As noted above Shiota is silent as to "optimum image
reference data." Kristy does not correct this deficiency.
Kristy is also silent as to "optimum image reference data." At
best Kristy (column 5, lines 25-33) teaches allowing the customer
to manipulate the image. Therefore, Appellants arguments are
persuasive and we will not sustain the Examiner's rejection of
claims 1-32 under 35 U.S.C. § 103.

With respect to claim 33, Appellants have argued that
neither Shiota nor Kristy teach computer controlled (claim 33,
line 3-4) "combining the image product from the output device
with a related original order" (claim 33, lines 15-16). We

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agree. Shiota teaches that the operator (column 5, lines 26) can "classify the output prints by orders." At best this corresponds to the manually performed prior art "Matching up product with batch sheets" process of Appellants background (specification, page 4, line 23). Kristy does not correct this deficiency. Kristy is silent as to "combining." Therefore, Appellants arguments are persuasive and we will not sustain the Examiner's rejection of claim 33 under 35 U.S.C. § 103.

## Other Issues

Although we agree with Appellants that Shiota and Kristy do not teach analyzing images and comparing said analyzed images with reference image data representative of an optimum image, we point out that better prior art exists on the record in the form of Appellants' admissions (specification, page 2, lines 11-13, and page 13, lines 14-22). We leave to the Examiner the question of whether any rejections under 35 U.S.C. § 103 are appropriate using Shiota and Kristy in combination with the admitted prior art.

## Conclusion

In view of the foregoing discussion, we have reversed the rejection under 35 U.S.C. § 103 of claims 1-33, and we have reversed the rejection under 35 U.S.C. § 102 of claims 38 and 40.

**REVERSED**


JERRY SMITH                          )
Administrative Patent Judge          )
                                     )
                                     )
                                     ) BOARD OF PATENT
JOSEPH F. RUGGIERO                   )
Administrative Patent Judge          )    APPEALS AND
                                     )
                                     ) INTERFERENCES
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ALLEN R. MACDONALD                   )
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